



Staff Report

FY 2006 BUDGET FUNDING RECOMMENDATION FOR PLANNING POSITION

Honorable Mayor and Council Members:

Summary

The Finance Commission recommends a funding schema for the new Planning position. Adoption of the recommendation will amend the FY 2006 Budget as part of the Mid Year Review.

Background

On June 14th, as part of the FY 2006 Budget deliberations, City Council added a Planner position and directed the Finance Commission review the financial impact of the hire and make recommendations about funding.

Discussion

The Finance Commission heard reports from the staff regarding funding impacts for the additional planning position. In addition, Commissioner Ledoux had prepared an analysis that studied incidental benefits from the hire. After considering the matter, the Finance Commission unanimously recommended the following:

1. The effect of City Council's action was to add ½ of a new planner position and ½ of a new Housing Specialist. Since there is an existing split position, the net effect is to add a new Planner position. See Table 1 for an analysis of the position changes in Community Development.
2. The funding source for the ½ additional Planner position should be allocated 100% to the Development Services Fund. The Development Services Fund budget should be augmented by additional revenue to offset the appropriation. The revenue is assumed to come from additional throughput of five planning applications per annum. Since there is a current backlog of between 20-25 applications, it is anticipated that the additional position will help reduce the backlog over the next 4 to 5 years. The ½ additional Housing Specialist position should be allocated 100% to the Housing Fund. There is no additional revenue to offset this cost and fund balance should be used. This action requires an amendment to the FY06 Budget. See Table 2 for an analysis of the funding.
3. Since the funding recommendation is premised on the ability of the Planning Section to improve throughput and address the backlog of applications, the Commission further recommended that Council annually review the performance metrics of Development

Services to validate that these results been achieved.

Table 1			
Community Development Position Changes			
Position	FY 2006 Proposed	Council Amendment	FY 2006 Adopted
Planning & Comm. Dev. Director	1		1
Principal Planner	1		1
Associate Planner	0	1	1
Associate Planner/Housing Specialist	1	-1	0
Housing Specialist	0	1	1
Building Official	1		1
Building Inspector/Plans Examiner	1		1
Building Inspector/Permit Technician	1		1
Administrative Assistant	1		1
Office Assistant II	1		1
Code Enforcement Officer	1		1
Economic Development Coordinator	0		0
Economic & Redevelopment Manager	1		1
Permit Technician	1		1
Community Development Total	11	1	12

Table 2			
Funding Analysis			
Funding	%	Amount	Total
Low & Moderate Income Housing Fund – Unappropriated Reserves	0.5	\$ 55,838.74	\$ 55,838.74
Development Services Fund-Revenues	0.5	\$ 55,838.74	
Design Review Fee		16,500.00	
Variance Fee		2,850.00	
Tree Removal Fee		500.00	
Environmental Fee (CEQA)		2,000.00	
Plan Check Fee		17,500.00	
Building Permit Fee		18,500.00	55,838.74 ¹
Total			\$111,677.48²

Fiscal Impact

The fiscal impact associated with adding the Planning position is to increase appropriations by

¹ Subtotal of fees exceeds 50% of position by \$2,011.06 (\$57,850.00-\$55,838.74)

² Total compensation for Associate Planner position.

\$111,677.48. As shown in Table 2, 50% of the appropriation will be covered by supplemental increase in revenues in the Development Services Fund. The remaining 50% of the appropriation will be charged to fund balance of the Housing Fund, for which there are adequate reserves. The above fiscal impact requires an amendment to the FY 2006 Budget.

Public Contact

The Finance Commission has been informed of this report.

Recommendation

Staff recommends adopting the funding schema as recommended by the Finance Commission. Approval of this recommendation will authorize an amendment to the FY 2006 Budget which will be considered during the Mid Year Review.

Alternatives

1. Deny recommendation of Finance Commission.
2. Provide alternative direction to staff.
3. Take no action.

Attachments

Not applicable.

Respectfully submitted,

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Finance Director

Jack R. Crist
Interim City Manager